

Cisco announced its intent to acquire privately held Meraki Inc., a leader in cloud networking. Headquartered in San Francisco, Calif., with offices in New York, London and Mexico, Meraki offers midmarket customers easy-to-deploy on-premise networking solutions that can be centrally managed from the cloud.

As the IT industry transforms in the mobile-cloud era, Cisco is trying to solve customers' networking and business enablement challenges by delivering cloud networking and device and security services. The acquisition of Meraki complements and expands Cisco's strategy to offer more software-centric solutions to simplify network management, help customers empower mobile workforces, and generate new revenue opportunities for partners.

Meraki's cloud networking solutions will expand Cisco's network offerings by providing scalable solutions for midmarket businesses. The Meraki acquisition will also strengthen Cisco's [Unified Access](#) platform, which makes IT more responsive to business innovation by simplifying IT operations and uniting wired and wireless networks, policy and management into one integrated network infrastructure, unlike other competitive offerings.

This follows on the recent Cisco announcement of the acquisition of Cloupia. Cisco said the Cloupia acquisition could help the networking giant address the increasing need for simplified management systems across compute, storage, network and virtualization functions. "Cisco's data center strategy is based on the premise of making it easier for customers to deploy a unified and integrated infrastructure that is efficient, fast, and flexible," said David Yen, SVP and GM, Cisco data center business group.

"The acquisition of Meraki enables Cisco to make simple, secure, cloud managed networks available to our global customer base of mid-sized businesses and enterprises. These companies have the same IT needs as larger organizations, but without the resources to integrate complex IT solutions," said Rob Soderbery, senior vice president, Cisco Enterprise Networking Group. "Meraki's solution was built from the ground up optimized for cloud, with tremendous scale, and is already in use by thousands of customers to manage hundreds of thousands of devices."

Meraki technology offers customers Wi-Fi, switching, security and mobile device management

centrally managed from the cloud. Meraki solutions support BYOD, guest networking, application control, WAN optimization, application firewall and other advanced networking services.

Meraki was founded by members of MIT's Laboratory for Computer Science. Meraki combines a high-velocity software development methodology with a tightly linked inside sales and channel model that will form the new Cloud Networking Group.

Under the terms of the agreement, Cisco will pay approximately \$1.2 billion in cash and retention-based incentives to acquire the entire business and operations of Meraki. The acquisition is expected to close in the second quarter of Cisco's fiscal year 2013, subject to customary closing conditions, including regulatory review.